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Congress of the United States  
House of Representatives  
Washington, DC 20515-2207

COMMITTEE ON  
ENERGY AND COMMERCE

COMMITTEE ON  
EDUCATION AND THE WORKFORCE

CHAIRMAN, SUBCOMMITTEE ON  
HEALTH, EMPLOYMENT,  
LABOR, AND PENSIONS

December 19, 2017

The Honorable Ajit Pai  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Dear Chairman Pai:

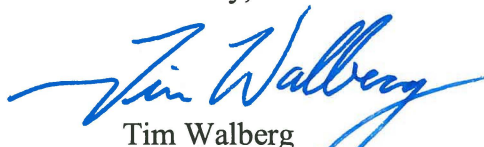
Enclosed for your consideration is a letter from 13 rural Michigan broadband providers requesting that the Commission increase funding for participants who elected to receive Alternative Connect America Model (A-CAM) support.

As you know, serving rural America poses unique challenges and rural service providers play an important role in closing the digital divide in unserved and underserved communities. Expanding broadband deployment to rural America is important to ensure these residents are connected and can compete in our global economy, and I trust you will give their comments your full consideration. I also urge you to evaluate additional universal service funding for those Michigan rural carriers not participating in the A-CAM plan to help expand broadband connectivity to consumers in my district and across the state of Michigan.

I share your belief that all Americans should be able to participate in the digital economy and I commend your leadership in encouraging greater investment in rural America. Please know I stand ready to work with you and your fellow Commissioners as you oversee the disbursement of the Universal Service Fund and consider other measures to remove barriers to deployment.

Thank you for your attention to this matter.

Sincerely,

  
Tim Walberg  
Member of Congress

Enclosure

December 7, 2017

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**Re: *Connect America Fund*, WC Docket No. 10-90**

Dear Ms. Dortch:

The undersigned 13 Michigan rural telecommunications carriers listed in Attachment A submit this letter to ask the Federal Communications Commission to take action this year to authorize additional Alternative Connect America Model (A-CAM) funding -- up to \$200/month per eligible customer location -- so that we can further extend broadband to rural consumers in our State.

When we elected to receive A-CAM support, we made a binding commitment to deploy broadband to a specific number of additional locations if such funding is made available by December 31, 2017. With the year coming to a close, we urge you to make a decision. A decision now will enable us to plan our network upgrades in a cost-effective manner and hasten the day when rural Michigan residents will have access to broadband.

The Commission already has sought public comment on this issue, and the details of how the support would be used to advance broadband have already been resolved. The funding will be used efficiently to extend service in areas that are not served by unsubsidized competitors where, absent support, it is not economically feasible to provide broadband service.

Your decision to authorize this additional funding will have a concrete impact on the communities we serve. Collectively, additional funding of up to \$200/month per location would result in an additional 1,138 locations in Michigan having access to a minimum of 25/3 Mbps broadband service, while 2,326 locations would newly have access to service of at least 10/1 Mbps. The number of A-CAM funded locations that would remain on "reasonable request" in Michigan would decrease by 49 percent if funding is increased to this level.

Broadband is critical to economic growth and productivity in these rural areas. Increased access and improved speeds will enable residents of rural Michigan to expand their businesses and operate more efficiently.

The food and agriculture industry is a significant contributor to Michigan's overall economy. Statewide, more than 50,000 farms produce over 300 commodities, both for domestic use and export, contributing \$13 billion to the state's economy. Further extending the reach of broadband will allow Michigan farmers to access mobile apps to monitor crops and livestock, order supplies, and easily access research and expert advice. Expanding broadband in rural

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Michigan will allow small businesses to more efficiently reach their customers. It will also provide additional educational opportunities to children and young adults, a necessary foundation for employment in the future. And improved access to broadband will make it easier for the elderly to access critical services while at home, and make it possible for chronically ill individuals to be remotely monitored, resulting in cost savings.

We urge the Commission to act by the end of this year to allocate additional funding to carry out its original decision to provide A-CAM funding for up to \$200/month per eligible location.

Sincerely,

**The Michigan A-CAM Companies**

cc: Chairman Ajit Pai  
Commissioner Mignon Clyburn  
Commissioner Michael O'Rielly  
Commissioner Jessica Rosenworcel  
Commissioner Brendan Carr

Attachment A

**Attachment A**  
**Michigan A-CAM Companies**

Carr Telephone Company  
Chatham Telephone Company  
Communications Corporation of Michigan  
Hiawatha Telephone Company  
Island Telephone Company  
Michigan Central Broadband Company  
Midway Telephone Company  
Ontonagon County Telephone Company  
Sand Creek Telephone Company  
Shiawassee Telephone Company  
Upper Peninsula Telephone Company  
Westphalia Telephone Company  
Wolverine Telephone Company



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

February 13, 2018

The Honorable Tim Walberg  
U.S. House of Representatives  
2436 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Walberg:

Thank you for your letter on the importance of connecting additional rural consumers in Michigan to high-speed broadband. Your views are very important and will be entered into the record of our proceeding on the Connect America Fund and considered as part of the Commission's review.

In my first remarks to FCC staff as Chairman, I declared that my highest priority would be making sure every American who wants high-speed Internet access can get it. Rural Americans deserve the same digital access as those living in urban areas. A key way to reach this goal is by updating the high-cost universal service program to encourage cooperatives and other small, rural carriers to build more online infrastructure.

We need more deployment in sparsely populated rural areas if we're going to extend digital opportunity to all Americans. But I've heard from community leaders, Congress, and carriers that insufficient, unpredictable funding has kept them from reaching this goal. That is why I recently shared with my fellow commissioners an order that would promote more high-speed broadband deployment in rural areas. If adopted, it would provide over \$500 million in additional funding for cooperatives and small rural carriers—including those participating in the Alternative Connect America Model (A-CAM) plan. And it seeks public input on both further increasing support to current A-CAM recipients and on giving legacy rate-of-return carriers a new chance to elect model-based support. Increased funding will boost broadband deployment in rural America, and the accompanying reforms will put our high-cost system on a more efficient path, helping to ensure that every American can benefit from the digital revolution.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink, reading "Ajit V. Pai". The signature is written in a cursive style with a large, stylized "A" and "P".

Ajit V. Pai